

The Impact of Employee Engagement on Employee Retention

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ABSTRACT

The purpose of this study was to investigate the effect of employee engagement on employee retention. Employee engagement is a complex management concept that is becoming increasingly important. This helps organizations to take advantage of benefits associated with their organization. Overwork is a negative phenomenon that limits employee productivity. This study investigated the impact of employee engagement on employee retention and the mitigating relationship between employee engagement and employee retention. As a result, we found that there is an intermediary relationship between job satisfaction and employee engagement and intention to leave. This means that while an employee's job satisfaction increases as an employee's work commitment increases, this work commitment tends to make the employee more willing to volatility. The sampling method chosen in this study was probabilistic sampling, as the researchers chose a descriptive study design. In this study, researchers collected data from respondents using a simple random sampling method (lottery method). Using an interview design she collected a sample of 60 people. The survey concluded that 43.3% of respondents had moderate employee engagement, 40% had good employee engagement, and 16.7% had low employee engagement.

KEYWORDS: *Employee Engagement and Employee Retention*

INTRODUCTION

Employees are important to any organization. They are an asset to the organization as they bring intellectual capital, skills and experience to the organization. These he possesses all three qualities, these people will contribute to the organization and help the organization to be more competitive in the industry. If your employees are very important to your organization, your organization should help them overcome their work stress and help them overcome their problems by introducing them to the company in a way that retains them. We need to take a step forward. Such a strategy creates a win-win situation for both company and employee. Both benefit from the environment more productively and efficiently. The term “employee engagement” is a new term in the field of organizational behavior, and HR departments also use the term “employee engagement” because “human resources consulting firms” provide efficient advice on employee engagement and related” is attracting a lot of

attention. Issues specify how they can function within an organization. Employee engagement can be a key tool in keeping employees engaged and engaged in their work. This organizational commitment helps increase employee engagement in their loyalty to the organization, which ultimately leads to employee loyalty to the organization. This helps organizations retain their employees and maximize their productivity. Hiring employees is not the end. In fact, it is the beginning of employee training and orientation. The next step is to provide employees with information about benefits and compensation policies.

DEFINITION

Employee Engagement:

“Employee engagement occurs when employees experience cognitive, conscientious, and emotional affection for other employees in the workplace.” This is a multifaceted concept. and really depends on “psychological competence and work and working

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environment practices". This ensures that human resources are present in the workplace while the work is being done. The Corporate Leadership Council defines it as "how committed an employee is to something or someone within an organization, how dedicated they are to their work, and how long they stay in that commitment."

Employee retention:

Retain employees and ensure sustainability. Employee retention can be represented by a simple statistic. Employee retention is also a strategy by which employers try to keep employees on staff.

REVIEW OF LITERATURE

Blessing White (2006) Strong manager-employee relationship is a key element in the employee engagement and retention plan. Development Dimensions International (DDI, 2005) states that a manager must do five things to create a highly engaged workforce. They are: 1. Align efforts with strategy 2. Empower 3. Promote and encourage teamwork and collaboration 4. Help people grow and develop 5. Provide support and recognition where appropriate

Robinson, Perryman and Hayday, 2004; Rafferty et al., (2005) employee engagement emanates from two concepts that have won academic acknowledgement and have been the subjects of empirical research-Commitment and Organizational Citizen Behavior (OCB). Employee engagement has likenesses to and commonalities with the above two concepts.

Penna (2007) researchers have also come about a new model they called "Hierarchy of engagement" which is similar to Maslow's need hierarchy model.

Tools for data collection: *Employee engagement and Employee retention Scale*

The Researcher Used Questionnaire as Tool of Data Collection. A five-point Likert scale was utilized to measure each indicator of latent variables ranging from (Excellent = 5; Very good = 4.5; Good = 3.7; Fair = 2; Poor = 1). Indicators in this study are a modified version of the indicators developed by **Shuck, Adelson, & Reio, 2017** and *employee engagement* Questionnaire used in the contained 26 items.

The data were analyzed using various statistical tools like simple percentage, independent t-test, and ANOVA.

Findings of the Study

Factors	MEDIUM	FREQUENCY	PERCENT
Age	31yrs-40yrs	48	80%
Gender	Male	40	67%
Educational Qualification	Diploma	42	70%
Designation	Manager	47	78%
Marital status	Married	54	75%
Total Years of Experience	Below-5yrs	47	78%
Income	Below-Rs.30000	25	44%
Nativity	Urban	37	60%
Type of family	Nuclear Family	38	63%
No. of Dependents	2members -4members	27	45%

In the bottom line there are basic needs of pay and benefits. When employee satisfied then the employee move towards growth opportunities, the prospect for promotion and then leadership style will be presented to understand the model.

Methodology of the Study

Objectives of the Study

- To study the personal details of the employees.
- To assess the levels of *employee engagement and employee retention* of the employees.
- To investigate the influence of personal factors on *employee engagement and employee retention* of the employees.
- To study the relations between personal factors on *employee engagement and employee retention* of the employees.
- To examine the valuable suggestion about *employee engagement and employee retention* of the employees.

Research design: The researcher followed descriptive research design for the study.

Universe of the study: The aggregate of all the units pertaining to the study is called the population or the universe. Researcher selected the employees of "**ABT automobiles Pvt (Ltd)**" as the universe of the study.

Sampling: The sampling method adopted for the present study is probability sampling. For the present study the researcher use **simple random sampling** and lottery method to collect data from employees. In this manner using simple random sampling 60 respondents from **ABT automobiles Pvt (Ltd)**, Coimbatore was selected as the sample for the present study.

Simple Percentage Analysis

- Majority (80 percent) of the respondents belong to the age group of 31 yrs-40 yrs.
- More than half (67 percent) of the respondents are male.
- Majority (70 percent) respondents are Diploma.
- Majority (78 percent) of the respondents are working manager.
- Majority (75 percent) of the respondents are married.
- Majority (78 percent) of the respondents belong to the total years of the experience below – 5 years.
- Less than half (44 percent) of the respondents earn between Below-Rs.30000 family income.
- More than half (60 percent) of the respondents are nativity with urban.
- More than half (63 percent) of the respondents live in nuclear family.
- Most (45 percent) of the respondents are 2 to 4 number of dependents.

DISTRIBUTION OF THE RESPONDENTS ACCORDING TO THEIR LEVEL OF *EMPLOYEE ENGAGEMENT*

S. No	Employee engagement	Respondents	Percentage %
1	Good	24	40.0
2	Moderate	26	43.3
3	Poor	10	16.7
	Total	60	100

INTERPRETATION

The above table highlights the *employee engagement* level of the respondents. It is understood from the above table that 43.3 percent of the respondents have moderate level of *employee engagement*, 40 percent of the respondents have good level of *employee engagement*, and 16.7 percent of the respondents have poor level of *employee engagement*.

The researcher finds the moderate level of the *employee engagement* in the organization. Mean of work stress = 45.69 and Standard Deviation = 7.62.

DISTRIBUTION OF THE RESPONDENTS ACCORDING TO THEIR LEVEL OF *EMPLOYEE RETENTION*

S. No	Employee retention	Respondent	Percentage %
1	High	14	23
2	Moderate	36	60
3	Low	10	17
	Total	60	100

INTERPRETATION

The above table describes the distribution of the respondents on the basis of the level of *employee retention*. Among the total number of the respondent's preponderance 60 percent of the respondents have moderate level of *employee retention*, 23 percent of the respondents have high level of *employee retention* and the remaining 17 percent of the respondents have low level of *employee retention*.

Influence of personal profile and *employee engagement* and *employee retention* of employee

Variables	Statistical tool	Value	Result
<i>Employee engagement</i> & gender of the respondents	t-test	t = 4.255 p < .000	Significant
<i>Employee engagement</i> & marital status of the respondents	t-test	t = -.070 p > .953	Not Significant
<i>Employee retention</i> & gender of the respondents	t-test	t = -.266 p > .837	Not Significant
<i>Employee retention</i> & marital status of the respondents	t-test	t = 4.886 p < .000	Significant
<i>Employee engagement</i> & age of the respondents	ANOVA	F = 1.007 P > .231	Not-Significant

<i>Employee engagement & educational qualification of the respondents</i>	ANOVA	F= 4.201 P<.003	Significant
<i>Employee retention & age of the respondents</i>	ANOVA	F= 3.929 P< .001	Significant
<i>Employee retention & educational qualification of the respondents</i>	ANOVA	F= 2.873 P<.019	Significant

- There is significant difference in the mean scores of the respondents based on the gender .It is inferred that gender influence the *employee engagement* of the respondents.
- There is no significant difference in the mean scores of the respondents based on the marital status .It is inferred that marital status does not influence the *employee engagement* of the respondents.
- There is no significant difference in the mean scores of the respondents based on the gender .It is inferred that gender does not influence the *employee retention* of the respondents.
- There is significant difference in the mean scores of the respondents based on the marital status .It is inferred that marital status influences the *employee retention* of the respondents.
- There is no significant difference in the mean scores of the respondents based on level of ethical climate with respect to different age group of the respondents. It is inferred that age does not influence the *employee engagement* of the respondent.
- There is significant difference in the mean scores of the respondents based on level of ethical climate with respect to different educational group of the respondents. It is inferred that educational qualification influences the *employee engagement* of the respondents.
- There is significant difference in the mean scores of the respondents based on level of *employee retention* with respect to different age group of the respondents. It is inferred that age influence the *Employee retention* of the respondent.
- There is significant difference in the mean scores of the respondents based on level of *employee retention* with respect to different educational group of the respondents. It is inferred that educational qualification influences the *employee retention* of the respondents.
- Supervisors must support all employees appropriately and equally.
- Employees should use the Suggestion Box effectively to foster growth for both the employee and the organization.
- Positive employee engagement increases employee productivity and reduces turnover.
- Employees want to work for a company that treats all people and their customers fairly and practices good and ethical business practices.
- An organization's success depends on trusting relationships with its employees, customers, suppliers and communities.
- Employee engagement is the bond between employees and the organization that motivates employees to continue contributing to the organization and to help the organization achieve its goals.
- Employee engagement plays an important role in human resource management. This helps the organization to function fairly and efficiently.
- Employee commitment that all evaluation procedures in hiring and selection are fair and impartial.
- Fair involvement of employees in the distribution of wages and benefits in the area of compensation administration.

CONCLUSION

The study found employee engagement to be a significant predictor in the organizations surveyed, and identified charitable and principled ethics as a key factor in improving employee engagement in organizations. It turns out that employee engagement creates the right conditions in the workplace so that all members of partner organizations feel their best every day, are committed to the organization's goals and values, and are motivated to contribute to the organization's success approach. And employees will be able to develop confidence. It is an employee approach that increases the chances of business success and positively impacts organizational and individual performance, productivity and well-being measured. They range from bad to beautiful. It is encouraged and increases dramatically. Lost and discarded. Employee engagement is about mutually stimulating and reinforcing positive attitudes and behaviors that lead to better business outcomes. The survey concluded that 43.3% of respondents had

Recommendations

- Employees should be provided with adequate breaks and rest periods to improve performance and improve retention.
- It is not enough to communicate information to employees through bulletin boards. Employees also need to be trained to use technology to stay connected and receive information.

moderate employee engagement, 40% had good employee engagement, and 16.7% had low employee engagement.

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